



Attorney General Jon Bruning

NEWS RELEASE

FOR IMMEDIATE RELEASE
July 2, 2009, 2:30 p.m.

Contact: Leah Bucco-White
402-471-2067

Leah.bucco-white@nebraska.gov

AG Bruning and Other State Attorneys General Reach Agreement With General Motors

Note: Sound bites on this topic will be available shortly at www.ago.ne.gov

(Lincoln, Neb) Attorney General Jon Bruning today announced that 30 states reached an agreement in principle with General Motors (GM) in GM's bankruptcy proceedings. Additional states are also expected to participate in the agreement. Nebraska filed an objection June 19 in Federal Bankruptcy court that was joined by 43 other states.

"We are pleased GM was willing to work with the states to resolve our concerns so that consumers, dealers and the environment will continue to receive the protection of state law," said Bruning, who also serves as President of the National Association of Attorneys General.

The initial positions of GM and the Treasury Auto Task Force would have left thousands of GM customers and dealers without the protections afforded to them under state law.

"I'm confident the concessions given to the states, while of great benefit, won't interfere with the ability of new GM to function as a viable company nor should they add to the burden placed on taxpayers by the Treasury's purchase of GM," said Bruning.

Among concessions sought and received by Nebraska and the other states, GM has agreed to:

- Accept responsibility for compliance with environmental laws on facilities that will be part of the new company and will expand funds available to cleanup sites that will stay with the old GM;
- Honor express warranties and comply with state lemon laws;
- Accept responsibility for payment of state tax obligations;
- Acknowledge that all dealers staying with the new GM will be protected by state franchise and dealer laws;
- Comply with state privacy laws, including abiding by the state Do Not Call laws;
- Honor products liability claims for accidents occurring after the closing date that involve cars sold before bankruptcy.

Attorneys General Richard Blumenthal (CT), Greg Abbott (TX), Richard Cordray (OH) and John Suthers (CO) were on the executive negotiating committee representing the states. "I want to specifically thank Generals Blumenthal, Abbott, Cordray and Suthers for their efforts and expertise in reaching this resolution," said Bruning.

###